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EXTRAORDINARY

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PART II—Section 2

प्राधिकार से प्रकाशित

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इस भाग में भिन्न पृष्ठ संख्या दी जाती है जिससे कि यह अलग संकलन के रूप में रखा जा सके

Separate paging is given to this Part in order that it may be filed as a separate compilation.

## LOK SABHA

The following Bill was introduced in Lok Sabha on the 3rd April, 1967:—

BILL No. 28 OF 1967

*A Bill further to amend the Essential Commodities Act, 1955 and to continue for a further period the Essential Commodities (Amendment) Act, 1964.*

BE it enacted by Parliament in the Eighteenth Year of the Republic of India as follows:—

1. (1) This Act may be called the Essential Commodities (Amendment) Act, 1967.

Short title and duration.

(2) Section 2 shall cease to have effect on the 31st day of March, 1968, save as respects things done or omitted to be done before such cesser and section 6 of the General Clauses Act, 1897, shall apply upon such cesser as if section 2 had then been repealed by a Central Act.

Amend-  
ment of  
section 3.

2. In section 3 of the Essential Commodities Act, 1955 (herein- 10 of 1955.  
after referred to as the principal Act), after sub-section (4), the  
following sub-sections shall be inserted, namely:—

“(4A) Where, for any reason, supplies of any article or thing required for the production or manufacture of an essential commodity are not adequate to meet the full requirements of all the undertakings engaged in the production or manufacture of such commodity and the Central Government is of opinion that with the available supplies of such article or thing all the undertakings engaged in the production or manufacture of such commodity should, as far as practicable, be kept as going concerns for the production or manufacture of such commodity to the fullest extent possible and also for the prevention of unemployment, as far as practicable, amongst persons employed in such undertakings, it may, by order, direct that—

(a) no employer shall close his undertaking, whether partially or wholly, except with the previous permission in writing of such officer as may be specified in this behalf in the order;

(b) no employer shall keep his undertaking working for more than such number of days in a week and such number of hours each day, as may be specified in the order.

(4B) Where in pursuance of an order under clause (b) of sub-section (4A) an undertaking is closed, whether partially or wholly for any day or number of days in a week, the employer of the undertaking shall pay for such closure to each of the persons employed in the undertaking or any part thereof which is closed, compensation which shall be equal to fifty per cent. of the total of the basic wages and dearness allowance that would have been payable to such person had there been no such closure.

(4C) For removal of doubt, it is hereby declared that different orders may be made under sub-section (4A) in respect of—

- (i) different classes of undertakings; or
- (ii) undertakings in different areas.”.

Valida-  
tion of  
closure of  
cotton  
textile  
mills on

3. Notwithstanding anything to the contrary contained in any law for the time being in force, where an employer in respect of an undertaking engaged in the production or manufacture of cotton textiles has closed such undertaking either wholly or partially on any day in a week during the period between the 12th day of

13 of 1966. December, 1966 and the 23rd day of December, 1966, being the date of commencement of the Essential Commodities (Second Amendment) Ordinance, 1966 (both days inclusive) in pursuance of the decision taken by the Government of India in that behalf and specified by the Textile Commissioner to the Government of India, Bombay, in his circular dated the 3rd December, 1966,—

(a) such undertaking shall be deemed to have been closed on each such day in accordance with law; and

14 of 1947. (b) the employer shall pay compensation for such closure to the persons employed (including *badli* workmen) in the undertaking at the rate provided for in section 25C of the Industrial Disputes Act, 1947.

4. The duration of the Essential Commodities (Amendment) Act, 1964, is extended for the period up to and including the 31st day of December, 1967, and accordingly, that Act shall have effect subject to the modification that in section 1 of that Act, in sub-section (3), for the words, figures and letters "the 31st day of December, 1966", the words, figures and letters "the 31st day of December, 1967", shall be, and shall be deemed always to have been, substituted.

13 of 1966. 5. (1) The Essential Commodities (Second Amendment) Ordinance, 1966, is hereby repealed.

Continu-  
ance of  
Act 47  
of 1964.  
Repeal  
and  
saving.

46 of 1952. (2) Notwithstanding such repeal, anything done or any action taken under the said Ordinance or under the principal Act as amended by the said Ordinance or under section 12A of the principal Act or section 8A of the Criminal Law Amendment Act, 1952, as continued by virtue of section 5 of the said Ordinance, shall be deemed to have been done or taken under this Act or under the principal Act as amended by this Act or under the said sections as continued by virtue of section 4 of this Act as if this Act had come into force on the 23rd day of December, 1966.

## STATEMENT OF OBJECTS AND REASONS

Owing to short supply of cotton and the consequent imbalance between the demand for and the supply of raw cotton, a crisis had developed in the cotton textile industry in the last quarter of 1966. Quite a few mills in different parts of the country were consequently faced with closure. With a view to conserving cotton and ensuring a more orderly and equitable distribution of the limited supplies available and prevention of unemployment, it was essential to secure a reduction in machine activity. This was sought to be achieved through a scheme of compulsory closure of textile mills for one additional day per week.

2. To provide legal backing to this decision and as Parliament was not in session, an Ordinance, No. 13 of 1966, was promulgated by the President on the 23rd of December, 1966. The Ordinance by suitable amendments to section 3 of the Essential Commodities Act, 1955 empowered the Central Government to regulate by Order the working of undertakings. The Ordinance further provided that for the days of compulsory closure, all the workers should get compensation at fifty per cent. of the normal wages.

3. The difficult cotton supply situation still persists and is likely to continue for some more time. It is, therefore, necessary to retain the powers provided by the Ordinance for another year, i.e., up to the 31st March, 1968.

4. The Essential Commodities (Amendment) Act, 1964 which provides for summary trial of persons contravening orders issued under section 3 of the Essential Commodities Act and of all public servants charged with offences of bribery, misconduct, etc., was due to expire on the 31st December, 1966. In view of the continued food shortage and possibility of exploitation of scarcity conditions by anti-social elements, it was felt necessary to extend the period up to the 31st December, 1967. This extension was also covered by the Ordinance.

5. The present Bill seeks to replace the Ordinance by an Act of Parliament. It is, however, proposed to restrict the duration of the amendments to section 3 of the Essential Commodities Act up to the 31st March, 1968.

NEW DELHI;

DINESH SINGH.

*The 28th March, 1967.*

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**MEMORANDUM REGARDING DELEGATED LEGISLATION**

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New sub-sections (4A) and (4C) which clause 2 seeks to insert in section 3 of the Essential Commodities Act, 1955, empower the Central Government to regulate, by order, the keeping open and closure of undertakings engaged in the production or manufacture of certain essential commodities. Sub-section (4A) clearly lays down the circumstances in which and the objects for which orders may be made thereunder. The delegation of powers under those provisions is therefore of a normal character.

S. L. SHAKDHER,  
*Secretary.*

